App. F IX-4

Previous References 192 7. (Mr)

File No. 290 27

Serial Nos. B 6-5

Later References

General and Revenue Secretariat.

Serial Nos.

Part B for March 29

SUBJECT

Financial forecast of the Bangalore City municipality

To, The ~~D C Bcm~~ President, City Municipal Council Bangalore
No L 6152/A 18 & 29
Forwarding the financial forecast for
Civil receipts & Contingencies and regarding
to forward the Budget estimate in the
Rev. Secy. Circular on the

To, The President, Mysore
No B 152/A 18 & 29
Requesting to
submit the Budget estimate

1/4/29

5149L
16 4 29

5102L (1) Financial Position of the Bangalore City Municipality

5033L (2) Water Supply arrears for ~~2-4-1927~~ ~~1926-27~~

(3) Emergency Water supply charges of 25-26

(4) Water supply charges for 1927-28

(5) Supply of sewage water to private gardens (Tigalar) from the main drain leading to Sunkal Farm

(6) Acquisition of lands on the right side of Subedar Chattram Road.

(7) Revision of the Establishment of Bangalore City Municipality

(8) New Water Supply Scheme to Banghdore City

Purchase of Trichi

In order as to whether all these matters should be brought up for consideration at the meeting on the 18th

Chairman

Three Members

OFFICE OF THE THREE MEMBERS OF COUNCIL
17 APR. 1929
No. 1225

SECRETARIAT
16 APR. 1929

PT

2

6 R.S. III—8]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

Submitted

It is ascertained from the Third Member's Estt that there seems to be no engagement for the Third Member during this week — 16th to 21st

It is for orders to fix a time & date for the meeting of the Mun.l President & Commissioners

16.4.28

V I understand from the K. R Krishnaswami Secretary that the committee are preparing a note and that it will shortly be submitted to Govt Perhaps the proposed meeting may be held afterwards.

Hon Member

16/4

16/4

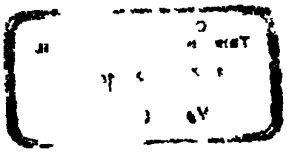
OFFICE OF THE
THE MADRAS CORPORATION
17 APR. 1928
No. 1686

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form

G R S III—3]

Routine Notes

[To be used only for notes, requi itions etc not intended for permanent record]



N B —Should routine notes be written on small ips the notes must be copied slips past ; l on this form

GOVT. OF MYSORE REV. SECT
24 NOV. 1928
L. & A. BRANCH

3

G.R.S. III—8]

Routine Notes. L2298

[To be used only for notes, requisitions, etc., not intended for permanent record.]

5 Assistant Secretary,
Local Self Government

Sometime ago a Committee was appointed by the Bangalore City Municipal Council to examine the financial condition of the Municipality I wish to know if the final report of the Committee has been received, and how it has been dealt with.

Chief Secretary to Govt.
23rd Novr 1928

6 Please take down

26/11

7 The appointment of the Committee was approved in G.O. No. L 5904-6/ml 290-27 dt 24th Dec 1928. Bangalore Municipal Council was accordingly asked to furnish a copy of the report

P T O

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

[illegible]
[illegible]

G.R.S. III—81

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

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15 H

G. R. S. III—8]

fil 290-27

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record]

The file containing the report of the Comptroller re the financial Condition of the Bangalore city M is placed below
& The Mun Council have not submitted their Comments to report to Govt
Ch 26/11 & 9 Chairs) 25 26/11

CHIEF SECRETARY'S
26 NOV. 1928

10 The Mun Council may be requested to report whether the Committee has submitted a report and how at the last recent visit by the Mun Cl Resident in 10 days from 30/11

D 1/12

Draft Enclosed
Ms. 1/12 D Com

d 4080 D 5/12/28 — 6/12
Mun Cl Bangr
Calls for the Information

NB.—Should routine notes be written on small slips the notes must be elyped, or slips pasted on this form

G R S III—8]

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

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2715 5

G. R. S. III—8]

ROUTINE NOTES

[To be used only for notes, requisitions, etc., not intended for permanent record]

Letter no C-1-281 dt 14th Dec 1928 from the President, Municipal Council Bangalore forwarding the report of the Financial Committee

13 The report shows that the Committee agreed with the note of Mr K R Srinivasamurthy Hon the Deputy Comptroller They estimated the Balance available at the beginning of the year 1929-29 at Rs 26000 Mr Abbas Khan the then President estimated it higher Vide para 12, 13, 14 & 15 of the report of the Committee The majority of the members did not agree with them

14 The President of the Municipal Council reports the Budget estimate for 29-29 was framed on the basis of the report

16 Cl Noted Secy 29/12 Chairman 29/12

N. B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

W D 1929—G.T.B.—1,50,000—29-11

G R S III—8]

ROUTINE NOTES

[To be used only for notes requisitions, etc, not intended for permanent record]

N B Should routine notes be written on small slips the notes must be pasted or slips pasted on this form

G R S III—8]

ROUTINE NOTES

[To be used only for notes, requisitions, etc., not intended for permanent record]

[Please also see folio following]

7. The papers are submitted for orders whether the meeting Group Contemplated in para 2 of the 2 notes may be called for

Ch 27/1/29 (& Chancellor) 27/1/29

19 Apls to speak

GHIEF SECRETARY'S 3 JAN. 1929

The Budget statistics are put up below (Flag A)

Ch 16/1

with - his
letter of 11th April 1928, forwarded a brief statement showing the financial position of the Fund, and stated that the future annual budgets will result in a deficit of Rs 24,000 and that after meeting liabilities there would be a surplus of Rs 67,000 available at the end of 1939-40 for new expenditure

21 but I am writing to the Registrar of the Special Income Committee forwarded with the Hon'ble President's letter of 11/12/28 there would be a balance of

N B – Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

W D 3320—6172—1,00,000—29-28

G. R. S. III—3]

ROUTINE NOTES

[To be used only for notes, regulations, etc., not intended for permanent record.]

As Rs 6000 at the end of 1928-29
Dr. Mahomed Abba Khan has calculated
that more would be available in his Budget
Estimate. This has been strongly denied
by the Municipality who have officially disputed
the correctness of the Calculations of the
Land Revenue
The budget for 1929-30 has been
prepared on the basis of the Report
It is stated in the Budget that the
budget for 1929-30 was framed on the basis
of the Joint report providing for increased grants
for special improvement works.
The budget as now framed provides for
an opening balance of Rs 127 2-1 against
balance of Rs 30000. It is for consideration
whether the provision indicated may be
accepted, as it was stated that there
would be a deficit of Rs 24 000 in future
budgets.
The file is therefore forwarded to Secretary
by the Chairman with the request that the
opinion of the Legal Department
of this Council may be obtained regarding the
Constitutionality of the proposal to levy

L H O
Dy. 29/1/29

by order
18/1/29.

N B -Should routine notes be written on small slips
the slips must be pinned, or slips pasted on
this form.

returned with Compliments. I put up herewith
a note of Asst Comptr Genl in the matter
& Chairman
4/2/29.

L 2715

App F III—2]

General and Revenue Secretariat. | File No. | of 192 .

Serial No.

27 The file may perhaps be forwarded to the President for any remarks if any. The future matter with the forwarded to the Audit Dept for remarks before adoption

28 Chd

29 FEB. 1929

29 I believe the refund of Rs 15000 on account of improvements of Hennagata Cause has been sanctioned by the P W D Please verify and put up a draft forwarding to the Mail Assessor

In future, the budget estimate of both the city Municipalities ought be sent to the Comptroller

New 11/2

It is ascertained from the P W D that the question of refund of Rs 15000 is under correspondence with the Executive Engineer

Two drafts above one to the President, of Bangalore City etc and the Dean of the Agricultural are submitted for approval

13/2

Chd

FEB. 1929

HOME—COMMR. SECRETARY.

14 FEB. 1929

Home—Comm. Sheet.

Chd 14/2/29 Second Meeting

New

Serial No.	
4	To The President, mmel Bangalore d 6152 dy 18 3/28 Forwards a Cy of the order for publication of the Council and requests him to forward the yearly budget estimate in future through the Comptr Cy to the Comptr of the
5	To the President, mmel Mysore d 6154 dy 18 3/28 The Pol mmel Mysore Requests him to forward the budget estimate through the Comptr Mysr

GEN & REV. SECT. 18 L

12th April 10 s.

Dear Sir,

I am desired to enquire if it would be convenient for you to meet the Third Member of Council on instant at 5pm to talk over pending questions relating to the Municipality. I am addressing a similar letter to the Municipal ~~Commissioner~~ President

Yours sincerely,

(1) Khan Bahadur
Md Abbas Khan, Esqr,
President, B C Municipality

(2) T Govinda Rao, Esqr,
Municipal Commissioner, B C

L 6410
Dt 12-4-1928

12th April 1928

Dear Mr. Krishnaswami Iyengar,

With reference to the figures you gave to the Municipal Commissioner showing the financial position of the Bangalore City Municipality, I am desired to request that you will kindly speak to me at your convenience. I am requesting the Municipal Commissioner and President to meet me on the 18th instant at 3 P.M. and it would (could) be an advantage if our preliminary discussion takes place earlier

Yours sincerely,

(M

K.R.Krishnaswami Iyengar, Esqr., M.A., B.L.,
Deputy Comptroller, Mysore Government.

Appendix F G—1

SUBJECT

12

Diary No. of letter replied to. L 2895

Section ML

File No. 290-27

Serial No. 3

No. L 4080

General and Revenue Secretariat

( )

the 192

Date of issue. 5/12/28

Signed by Mr. D. K. S. [illegible]

M

To

~~The Municipal Commissioner, City~~

Through the President and Secretary, Municipal Council

Sir,

I am directed to invite reference to the G.O. no L 5304-6/M.L 290-27-2 dt 26th March 1928 approving the resolution of the M.L.C. appointing a Committee of Councillors to examine into the question of financial position of the Bangalore city ~~and Cantonment~~ Municipality and to request you to report immediately whether the Committee had submitted a report, and if so, how it had been disposed of by the M.L.C. of which a [illegible] report to the Municipality is expected. Copy of the report may also be sent.

over

st of enclosures.....

Copied by

Examined by...

WD 0899—GPB—20,000—18-9-28

~~The Chief Secretary~~

Ch 1/12/28

To Chief Secy

No C-1-281
& one

CITY MUNICIPAL OFFICE 13
Bangalore City Dated 14th December '28

2715

From C. MACHIA, Esq, B A ,
President,
CITY MUNICIPALITY
BANGALORE CITY

To

ME 290-27-

M. Madhava Rao, Esq, B A , B L ,
Chief Secretary to the Government of
His Highness the Maharaja of Mysore,
BANGALORE

CHIEF SECRETARY 15 DEC 1928

S i r,

With reference to Government Order No L 5904-6/M1 290-27-2 dated 24th March 1928 deputing Mr K R Krishnaswamy Iyengar, M A , B L , Deputy Comptroller, to help the Committee of Municipal Councillors formed to go into the financial position of the Municipality, I have the honor state that the Committee held 2 sittings on 5th, and 7th April 1928 and the Deputy Comptroller was present on both the occasions

f A report was drawn up by the then President and it was circulated among the members of the Sub Committee With the remarks of individual members of the Committee, the report was placed before the Council on 9th June 1928.

The Council resolved that the report might be considered in connection with the Budget

2 The report was then got printed and circulated among all the members of the Council along with the draft Budget At the time of discussion of the Budget Estimate in the Council, no particular reference was made to the report in question but the Budget was framed on the basis

of

of the said report providing required funds for special improvement works etc.

A copy of the report of the Sub Committee is herewith submitted for information.

I have the honour to be,
S i r,
Your most obedient servant,

PRESIDENT.

DRR

Comptroller's Office,
Bangalore,
10—4—1928

Dear Mr Govinda Row,

I herein enclose a memo (of two typed sheets) showing the figures about the financial position of the Municipality which we discussed about in our last two meetings of the Sub Committee

Yours Sincerely

K R. KRISHNASAWMI IYENGAR.

T Govinda Row Esq.,
Commissioner
Bangalore City Municipality,

) Balance of normal receipts and expenditure of the Municipality,

Taking the Budget for 1927 28 as the working basis,
Normal receipts amount to 7 90 Lakhs (A)
And Normal expenditure to 7 71 Lakhs (B)

Correction to be applied to (A)

Deduct 0.35 included (vide page 2 of the Budget in the figure shown against ' 6 Water Tax " and representing " excess water charges ' collected by the Water Works Department and not by the Municipality
The normal receipts may therefore be taken at 7 55 lakhs

Correction to be applied to (B)

(i) Deduct 0 13 marked as per " Special Expenditure " against " Tools and Plant " under ' Public Works carried out by Civil Department "— vide page 6 of the Budget, but included in the total of 7 71 (B).

(ii) Add anticipated increase of recurring charges on account of Electric Lighting in future years as follows .—

500 Ornamental lights at Rs. 45 each	Rs.	22,500
5 clusters at Rs. 150 each		750
		23 250
Deduct credits on account of the corresponding old overhead lights removed for about 100 lights at Rs 19 each		1,900
Net increase		21,350

All the 500 ornamental lights may be expected to be completely put up before the end of December 1928 and only 300 by the end of June 1928. The extra charge for the year 1928-29 may therefore be taken at about Rs. 18,000 only but for subsequent years at full Rs. 21,350.

The normal expenditure may thus be taken at 7 79 lakhs (D).
Normal annual deficit *i.e.*, (D)—(C) will be 0.24 (E)

This " deficit " position is to be avoided by taking suitable steps for increasing revenue and decreasing expenditure or both

II. Present general financial position of the Municipality may be gauged from the following figures

Liabilities not provided for in this Budget for 1927 1928

		Lakhs
1	Amount due to the Education Department (relating to 1926 27)	0.36
2.	Amount due to Water Works Department (relating to 1925-26 and 1926-27	1 76
3	Extra electric lighting charges during 1927 28 (due to installing of ornamental lights)	0.02
4.	Extra expenditure sanctioned in the course of this year as to be met from the " Closing Balance	0.13
		2.29

Add—

5.	Contingent liability on account of claims payable on civil charges in respect of properties acquired already	...	1.50
6.	Liabilities on account of works executed by the Special Engineering Department	...	6.39
7.	Minimum cash balance to be retained for working purposes	...	0.25
	Total ... (F)		8.38

Funds available for meeting the above liabilities.

(1)	Closing cash balance as per budget for 1929-30	0.54	
Deduct—(a) 0.15 minor credit for as the Budget as receipts on account of excess water charges			
(2)	0.39 on account of anticipated decrease under "Interest on investments"	0.10	0.14
(3)	Closing balance of investments as per budget	...	3.18
(4)	Amount expected to be expended by the Municipal Engineer out of the budget grant for 1929-30		0.63
(5)	do do by the Special Engineer ...		3.71
(6)	do do by the commissioner out of the Budget grant Rs. 75,000 for "Compensation" ...		0.50
	Total (G)		8.17
Budget available for meeting future items of special expenditure or deficits due to excess of normal expenditure over normal receipts will be (G)—(F) or Rs.		Rs.	31,000

17

REPORT OF THE
Special Financial Committee

APPOINTED BY THE COUNCIL

---

1 The Committee held 2 sittings on 5th and 7th April 1928 and Mr K R Krishna swami Iyengar Deputy Comptroller was present at both the meetings and rendered valuable help to the Committee in its deliberations

2. The suggestion of the Deputy Comptroller to base our calculations on the Budget estimates of the Municipality for 1927 28 as sanctioned by Government was adopted

3 It was found that under *normal* receipts a sum of Rs 35 000 being the amount collected by the Water Works Department on account of Excess water charges had been erroneously included as the receipts of the Municipality In order to get an approximately correct view of the normal receipts and expenditure it was agreed to reduce this amount from the normal receipts. Thus the net normal receipts will amount to only Rs 7 55 479 It was also noticed that on the side of expenditure under the head B Public Works carried out by Civil Department a sum of Rs 13,000 being the additional amount for tools and Plant which was marked as for *Special* Expenditure had been erroneously included in the total of *normal* items. Deducting this item the normal expenditure stands reduced to Rs 7 58 041 The difference between the normal receipts and expenditure *viz* Rs 2 562 will represent a deficit in the Budget Considering the variations that may accrue with reference to actuals at close of the year both on the side of income and expenditure it was not considered necessary to deal further with the above estimated deficit at this stage

4 It was pointed out that a sum of Rs 53 000 not provided for in the Budget would be necessery to meet some of the pressing demands during the remaining portion of the year as noted below —

	Rs
Extra lighting charges	2 000
Value of a Tractor and a Trailer for watering roads and other items	15 000
Education bill for 26-27	36 000
Total	53 000

It is proposed to make a provision for this amount

5. It was mentioned that, in Land Acquisition suits, claims have been preferred by certain persons against the Municipality to an extent of Rs 3 40 000 It was suggested to reserve 50 % of the claims *i.e* Rs 1 70 000 to meet contingencies

6 A sum of Rs 1 76 132 on account of maintenance charges of water works as noted below —

	Rs
For the year 26 27	1 17 982
Emergent works 25 26	58 150

is being demanded by Government The Council have resolved and reiterated their resolution more than once that they are not in a position to pay the full maintenance charges of Chamarajendra Work and also the amount of Rs 58 150 relating to emergent works and that the Council do pay to Government as heretofore the actual amount collected by the Municipality under water tax the excess water charges and the flat rate that were collected during the previous year by the Water Works Department being remitted to Government as usual The Council have further resolved that the actual collection for the previous year i e Rs 82 243 3 1 *minus* the sum of Rs 45 000 which were due by Government on account of grant towards contribution work but adjusted subsequently towards the dues for water work be remitted to Government It will be thus seen that only a sum of Rs 37 243 3 1 is payable to Government But with a view to base our calculations on the safe side it was suggested to provide for the full amount claimed by Government pending final decision in the matter

7 It was brought to the notice by the Special Engineer City Improvement Division that a sum of Rs 37 000 would be required for payment during next year on account of the following works already completed or under execution during current year —

	Rs
Frontage of New Market	12 700
Grain Bazaar North Section	4 396
Interior stalls	2 024
Covering the main drain	13 000
Visvesvarapuram	5 000
Total	37 120

This amount was proposed to be provided for the next year

8 It was also deemed necessary to allot a sum of Rs 20 000 as the minimum cash balance required by rules to be kept intact

9 Thus according to the above details the total works out as follows —

	Rs
Amount shown in para 4 *supra* Education Extra lighting charges and value of a Tractor and Trailor etc	53 000
Contingencies for court litigation	1 70 000
Water works charges	1 76 000
Special Engineering Department	37 000
Cash to be retained on hand	20 000
Total	4 56 000

10 According to the figures furnished below a sum of R 5 42 000 would be available for operation on 1st July 1928

[1] Closing cash balance according to the sanctioned Budget estimate for 27 28	54 000
DEDUCT excess water charges wrongly taken credit for on the receipt side of the Budget	35 000
	19 000
[2] Amount available in the shape of investments on 1st July next according to the sanctioned Budget for 27 28	2 12 000
[3] Amount to be surrendered by the Municipal Engineer out of Budget grant for 27 28	20 000
[4] Amount to be surrendered by the Commissioner out of Rs 75 000 allotted for compensation	70 000
[5] Amount to be surrendered by the Special Engineer out of the Budget grant for the current year	2 71 000
Total	5 42 000

NOTE A sum of Rs 4 69 946 has been allotted in the budget for the Special Improvement Department

Out of this a sum of Rs 1 99 000 is required for being utilized by the Special Engineer for various works as detailed below

A sum of Rs 93 571 is intended for the acquisition of the following properties —

1	Old Bamboo Bazaar	40 000
2	Weaving and Metal factory properties	5 540
3	For mutton stalls	4 232
4	Properties in front of market	43 799
		93 571

Of the balance a sum of R 12 000 is earmarked for establishment charges The remaining amount viz 93 thousand and odd is intended for other works in progress important items of which are noted below

Municipal office extension	5 000
Grain Bazaar South section	4 000
Sethu Rao Street shops	5 000
Mutton stalls	7 000
Cloth Bazaar	6 890
Cattle pound	12 000
Drain by the side of Wesleyan Mission High School	2 100

20

Covering the drain	19,000
Visvesvarapuram	8,000
Rear stalls	2,000
Northwest corner of Interior stalls	1,700
Latrines	2,000
Narasimharja Road improvement	1,000
Minor items	18,971
	95,971

11 Deducting Rs 4 56 000 being the amount propo ed to be reserved from the sum of Rs 5 42 000 that would be available at the close of the year there would still remain a balance of Rs 86 000

12 It is necessary to note here that according to the Budget estimates page 12) a sum of Rs 95 037 would be the balance of arrears of Revenue at the close of the current year The amount that we would be able to collect out of the above arrears would also be available in addition to the above balance of Rs 86,000

13 Further it may be stated that contribution from Government for the next year for public improvements has not been taken into account It is hoped that a sum of Rs 30,000 at least would be granted by Government as for the current year This contribution will be a further addition to the resources of this Municipality

14 Again the sum of 1 70 lakhs reserved for Contingencies for Court litigation may not be actually paid away till about the end of next year and we may accordingly expect to continue to derive intere t during the next year also on investments amounting to about 2 lakhs. A sum of about Rs 10 000 derived as interest next year will also be an addition to our resources

MOHAMMED ABBAS KHAN

Seen Thanks
K R Krishnaswamiengar
11 4 28

15 A further sum of Rs 10 000 (Ten thousand) is expected to be realized from the sale of house building sites during the next year The Municipal Commissioner has I understand made a provision for the amount in the Draft Budget for the next year

MOHAMMED ABBAS KHAN
12th April 1928

Paras 12 13 14 & 15 of this report was not placed before the Committee and the

Ac

Seen Please circulate among the other members of the Sub-Committee

Sd T G.

16 4-28

Deputy Comptroller Excepting the above paras I subscribe to the rest

Sd B K Garudachar
16 4 28

I agree with Mr B K Garudachar s views

Sd P Subbarama Chetty
19 4 28

With reference to the additional notes — As long as No 12 only says that a portion of the arrears of Rs 95 037 will be collected we can agree to it If the Government has committed itself in any way No. 13 (Rs 30 000) is a sure income. Perhaps we may not be able to realise all the Rs 10 000 by way of interest as certain sums at least will have to be dispersed before the end of the year and Rs 10 000 for sale of sites is not an over estimate On the whole the report is a very satisfactory one indicating the stability of our financial position

Sd J R Isaac
19 4 28

Signatures of other members
3 Sd B Kempanna
4 Sd M Royan

The question of additional or special sources of income in the next year does not really arise in the report which should confine itself to the present financial situation of the Municipality These special sources are detailed in paras 12 to 14 If these incomes are taken along with the further chemes of improvement we have on hand and I submit that the two can not be and ought not to be separated We will find that the Municipality will have committed itself expenditure nearly all which will not he supported by financial back up Further I do not think it is correct finance to count on future contributions from Government There might also be future special expenditure

Further with regard to the claims under litigations the total claim against the Municipality is more than 4 50 000 and the provison of 1 70 000 is moderate and with regared to water supply whatever may be our resolutions under the final Government order we are liable to pay the full amount and it is an accured liability for which provision must be made Subject as above I agree to the report

Sd C N Narasinga Rao
18 4 28

1 ITEMS 12 TO 15—Both inclusive of the Draft Report were not brought for deliberations during the Committee meetings

2 ITEMS 12 AND 15 —These are probabilities The Commissioner could have given dependable data regarding them In the absence of such data it is not justifiably safe to take them into consideration particularly in

22

view of our not having considered probable liabilities

3 ITEMS 13 AND 14 — It is not clear as to how the President arrived at the fig of Rs 10 000 in respect of item No 13 On the other hand it may so happen that the Commissioner *as he recently did* may have to draw fixed deposits forgoing interest thereon

Re ITEM NO 14 — Land acquisition suits these days do not take long time for disposal In several of those pending before the District Court the only point for consideration is the inadequacy of the award I regret I cannot agree with the view expressed by the President in this matter

5 I am also doubtful if the principle underlying proposal of the President to take the above items into consideration under the aforesaid circumstances is sound The Deputy Controller simply has noted seen Probably we could have elicited his opinion if his attention had been drawn but this could not be done as this was not considered during the meeting as stated in para 1 of this note

Sd BELUR SRINIVASIENGAR
22—4—28

It is true that the matters referred to in paras 12 13 14 and 15 of the draft report were not placed before the members of the sub committee at the time of discussing the financial position of the Municipality But that does not prevent us from considering whether the additional income suggested therein by the President could be reasonably expected or not I therefore wish to express my opinion dispassionately in respect of each of them as hereunder —

PARA 12 — We can certainly expect a decent amount under this head provided suitable and timely steps are taken by the collection department

PARA 13 — Though we may expect this amount from the Government for public improvements there is the possibility of additional and expensive schemes being suggested by the Government which may consume the whole of the grant if not more We cannot therefore rely much on this by way of an additional income

PARA 14 — This income can be expected only if the land acquisition suits are delayed and it is after all a contingent event We cannot depend on it with any certainty

PARA 15 We can be sure of realising a fair amount of money by the sale of building sites if not as much as Rs 10 000 as the President hopes to This is not at all an imaginary income.

I therefore conclude that the financial stability of the Municipality is quite alright and there need be no fear if we carefully avoid unnecessary commitments

Sd B KEMPANNA
26—4—1928

Although the subject referred to in paras 12 13 14 and 15 were not placed before the Committee at the time of discussing yet the President has taken some pains afterwards to find out all other possible sources of income and he deserves compliment for it

PARA 12 —If vigorous steps are taken by the collection department there is every probability of recovering at least ¼ of the arrears

PARA 14 —This was fully thrashed out at the first meeting and it was agreed by the majority to reserve it provisionally Until these cases are finally decided we cannot say which way the wind blows and it is best to be always on the safe side

PARAS 13 AND 15 —I concur with the views of Mr Kempanna

Apart from these considerations I am of opinion that this Budget is after all a satisfactory one as it is and we can have smooth sail provided the Council does not commit itself for any costly scheme

Sd M ROYAN
27—4—28

Explanatory Note on the Budget Estimates for the Year 1928–29

The budget estimates compare with those of the year 1927 –28 as follows —

Receipts-	1 Estimate for 28 29	2 Revised estimat for 27 28	3 Sanctioned estimate for 27 28	Difference between 1 & 3
1 Normal receipts	7 91 848	7 17 220	7 90,479	1 369
2 Special receipts i e Debt Heads				
Opening balance-	7 24 334	4,80,901	11 69 196	—4,44 862
Total	15 16,182	11 98 130	19 59 675	—4,43 493
		EXPENDITURE		
1 Normal Expenditure	8 99,171	6 16 419	7 71 041	1 28 130
Special Expenditure i e Debt head				
Closing balance	6 17 011	5,81 711	11 88 634	—5 71 623
Total	15 16,182	11 98 130	19,59 675	—4 43 493

The variations under the several heads are explained hereunder

RECEIPTS

A Municipal Rates and Taxes

The estimate for the year 28 29 is Rs 5 17 100 against Rs 5 56 000 for the current year The decrease of Rs 38 900 is made up of on omission of Rs 48 900 being the estimated excess water charges and flat rate now collected

by the Water Supply Department on the receipt side, and an addition of Rs. 10,000 towards the anticipated increase of revenue on account of the general revision of taxes which is under progress

B. Realisations Under Special Acts

The estimate for 28-29 is Rs. 9,100 against Rs. 10,450. The decrease is chiefly under cattle pounds.

C Revenue Derived from Property and Powers apart from Taxation.

The estimate for the year 28-29 is Rs. 1,23,215 against Rs 2,30,215 for the current year The decrease of Rs. 1,07 000 is due to a decrease of Rs 1 08.000 under the following heads and an increase of Rs.1,000 under sale of trees'

	Decrease Rs.
i) Sale of lands	53,000
ii) Income from markets.	10,000
iii) do hotels.	5,000
iv) Interest on investments.	35,000
	1,08,000

D Grants and Contributions

The estimate for the year 28-29 is Rs. 1 37,933 against Rs. 1,30,314 for the current year. The net increase of Rs. 7,619 is due to the following variations —

INCREASES

i) On account of Primary Education.	Rs. 19 819
ii) Feeding charges of Purulia Chattram for 25—26.	800
	20,619

DECREASE

Grant for Vicregal visit.	Rs. 13,000
Net increase	Rs. 7,619

E. MISCELLANEOUS

There is no change under this head.

F PUBLIC DEBT

This major head comprises the sub-heads Deposits 'Advances to Special Engineer' and 'Withdrawals' from Fixed Deposits.' In the present Budget estimate, only the amount of deposits is shown and the other two items omitted on account of their uncertainty The provision in the present estimate under 'Deposits' is Rs. 72 000 against 81,000 for the current year, and the provision is based on the actuals of the previous year

An extra provision of Rs. 6,52,334 is made to meet the excess expenditure.

Expenditure

A General Administration

The amount provided under this head is Rs 1 08 346 against Rs 1 12 676 provided in the sanctioned estimate for the current year and the estimate is prepared according to actual requirements

B Public Safety

The estimate for the year 28 29 is Rs 53 275 against Rs 36 025 sanctioned for the current year The increased provision is made to meet the extra cost of ornamental electric lights that are expected to be put on service during the course of the next year

C Public Works carried oat by the Special Engineer and D Public Works carried out by the Municipal Engineer

A lump sum of Rs 2 00 000 is provided for the year 28 29 for the two items including establishment charges as against Rs 7 34 772 sanctioned for the current year

E Public health and convenience

The estimate for the year 28 29 is Rs 3 77 804 as against Rs 3 50 265 sanctioned for the current year The increase of Rs 27 539 is under the following items —

		Rs
1	Maintenance charges of water supply	17 000
2	Market lighting	1 000
3	25 extra sweepers	3 000
4	Decoration	1 000
5	Avenues	2 000
6	Other minor items	3 539
	Total	27 539

F Public Instruction

The estimate for the year 28 29 is Rs 1 35 098 as against Rs 97 373 for the current year Provision is made according to the estimate received from the Educational Committee

G Contributions and grants

The estimate for the year 28 29 is Rs 3 452 against Rs 3 372 sanctioned for the current year No provision was made in the last year's Budgets towards contingent charges connected with the Municipal libraries at Mavalli and Arlepet A sum of Rs 72 at Rs 3 per mensem for each of the libraries as per sanctioned scale is therefore provided in the Budget for 28 29 The provision sanctioned for newspapers for 27 28 is Rs 342 This charge is raised to Rs 350 so as to have a round figure

H Miscellaneous

The estimate for 28 29 is Rs 21 196 as against Rs 19 804 for the current year The

difference of Rs. 1,392 is accounted for as follows :—

Increases

		Rs.
i	Feeding charges of incurable paupers	636
ii.	Furniture for the home for the paupers	620
iii.	Lunch to Municipal Councillors	500
	Total	1,756

Decreases

		Rs
i	Chatram establishment charges	264
ii	Telephone connection charges	100
	Total	364

Net increase 1756—364 = Rs. 1,392

Public Debt.

This head comprises of the minor heads 'Deposits and Advances' (to be made to the Special Engineer, etc.) The provision under 'Deposits is put at Rs. 72,000 to correspond to the provision under the same head on the receipt side. No provision is made under the other head 'Advances owing to the uncertain nature of the amount to be allotted for Special Improvement Works to be executed by the Special Engineer An extra provision of Rs. 5,45,011 as detailed on page 2 of the abstract is made to meet the accrued liabilities therein referred to including a statutory provision of Rs. 20,000 on account of closing balance. A corresponding provision of Rs. 6,52,334 has been made on the receipt side to balance the Budget.

Deducting a withdrawal of Rs. 64,000 for meeting special items of expenditure such as City Improvements, etc., the sum available out of the invested surplus will be Rs.5,05,527 as detailed below :—

		Rs.
i.	Opening balance as per revised estimate	20,411
ii	Balance of invested surplus at the close of June 1928.	
	(Rs. 5,49,116—64,000)	4,85,116
	Total	5,05,527

Thus there will be a deficit of Rs. 6,52,334 —5,05,527 or Rs. 1,46,807

Sd. T GOVINDA RAO,
Municipal Commissioner.
30—4—28.

The Council through the Managing Committee.

25

DRAFT BUDGET FOR 1928 29

RECEIPTS

			Rs
A	Municipal rates and taxes		5 17 100
B	Realisations under special acts		9 100
C	Revenue derived from Municipal property and power apart from taxation		1 23 215
D	Grants and contributions from Government —		
	1 For City Improvement Works	30 000	
	2 For Sanitary purposes	3 500	
	3 For Primary Education	82 633	
	4 Surcharge fees	15 000	
	3 Purniah Chattram charges (25 26)	800	
	6 Arrears of land Revenue	6 000	
			1 37 933
E	Miscellaneous		4 500
	Total normal receipt		7 91 848

DEBT HEADS

F	Deposits etc	72 000	
	Provision for meeting excess expenditure including the statutory closing balance of Rs 20 000	6 52 334	
			7 24 334
	Grand Total		15 16 182

Sd T GOVINDA RAO
MUNICIPAL COMMISSIONER
BANGALORE CITY MUNICIPALITY

DRAFT BUDGET FOR 1928 29

EXPENDITURE

		Rs
A	General administration	1 08 346
B	Public safety	53 275
C	Public Works carried out by the Special Engineer	2 00 000
D	Public Works carried out by the Municipal Engineer	
E	Public health and convenience	3 77 804
F	Public instruction	1 35 098
G	Contributions and grant	3 452
H	Miscellaneous	21 196
	Total normal expenditure	8 99 171

DEBT HEADS

		Rs	
i	Deposits etc	72 000	
ii	Arrears payable to contractors of the City Improvement Division	37,000	
iii	Special law charges	1 70,000	
iv	Arrear claim of the Education De partment relating to 1926 27	36 364	
v	Amount due to Water Works Department for 1926 27	41 787	
vi	Amount being the cost of em rgent water works un dertaken in 1925 26	58 1.0	
vi	Maintenance char ges due to Water Works Depart ment for 1927 28	1 57 191	
viii	For crop compen sation etc as per bill	24,519	
ix	Closing balance	2o ooo	
			6 17 01
	Grand total expenditure		15 16 182

Sd T GOVINDA RAO
MUNICIPAL COMMISSIONER,
BANGALORE CITY MUNICIPALITY

B K GARUDACHAR BANGALORE CITY
27th May 1928

DEAR MR GOVINDA RAO

I herewith send the Draft copy of the Budget prepared and also observations of some of the Managing Committee members Mr Kem panna and thers The observations made by them is new On the information given by you the figures were taken and Budget was prepared Now new figures and illegality etc has been given by other fri nds Please be kind enough to give me the details bout it so that the Mana ging Committee may prepare the Budget and place before the Council at an early date I wish you will try and give before you leave this to Mysore

To be excused for the trouble

Yours sincerely,
(Sd) B. K Garudachar

To
T GOVINDA RAO ESQ
MUNICIPAL COMMISSIONER
BANGALORE CITY

26

MY DEAR SIR

I generally agree to the alterations proposed by the Managing Committee

I enclose a note on the remarks offered by Messrs B D Naidu Kempanna Chiknanjundappa Balkrishnaiya and Siddaveerappa on the draft budget

Yours sincerely

28 5 28 Sd T Govinda Rao

B K GARUDACHAR ESQ
CHAIRMAN
MANAGING COMMITTEE,
BANGALORE

OFFICE OF THE CITY MUNICIPALITY
Bangalore dated the 28th May 1928

NOTE

The notes of Messrs B D Naidu B Kempanna M C Chicknanjundappa N Balakrishnaiah and G Siddaveerappa about the Draft Budget for 1928 29 are opposed to Budget Rules and procedure laid down in the Mysore Account Manual and Mysore Account Code All receipts obtained from whatsoever source have to be duly credited into the Municipal Treasury and the same cannot be appropriated and reserved a suggested by the signatories to the note

2 There seems to be some misconception about the cash balance of Rs 1 54 367 4 7 This cash balance on 17th May 1928 does not represent the actual cash on hand It includes cash plus uncashed cheques and other items as detailed below —

		Rs
1	Deposit amounts awaiting to be refunded	77 368
2	Closing Balance	2o ooo
3	Other items	5 ooo
	Total	1 o2 368

The average monthly expenditure amounts to Rs. 5o ooo and our drawings in June may reach to about Rs. 75 ooo or more

3 Regarding the observation that provisions of a contingent nature need not be made in the next year s budget it is sufficient to point out that I cannot subscribe to the view taken by the signatories of the note Unless provision is made in the Budget allotments cannot be ordered under standing orders

Sd T GOVINDA RAO
MUNICIPAL COMMISSIONER

Appendix F G—1

SUBJECT

37

Two drafts

Diary No. of letter replied to .. ...

Section Genl

File No. 220-27

Serial No. 4

No. D 6152

Secret

General and Revenue Secretariat

D ( )

the 192

To

The President and Bangalore

Date of issue... .. 28/3/29...

Sir,

Signed by ...Asst Secy...

I am directed to forward herewith a copy for information of Mr Mudaliar a Copy of the note prepared by the Asst Comptroller giving a fore-cast of the financial position of the Bangalore city municipality and the closing balance as expected to be on the 30th June 1929

for Secretary

List of enclosures. .... - ....

Copied by ....

Examined by.... ....

WD 0202—GPB—20,000—18-9-28

I am directed to forward for information and also of the Council and to Lands Department Mail enclosure the draft Budget estimates may be forwarded to Govt in Council through the Comptroller for sanction

Shorthand

Chief Secy to Govt

1615/3 Rec'd

Copy to of the above to the Comptroller with reference to his memo office no T 518 dtd 6 2/29

B.O

Jr Chief Secy to Govt

Ch 18/2 26

The following is the forecast of the financial position of the City Municipality and the closing balance as expected to be on 30th June 1929

Opening Balance on 1-7-28			₹1,27,241/-
Estimated Receipts as per budget of 1928-29 (includes the withdrawal from investments of ₹1,50,549)	₹11,94,919		
Deduct amount over-estimated	(A) 45,800		
Net			10,89,119/-
Total including Opening Balance			₹12,16,360/-
Expenditure as per budget estimates	₹12,42,180		
Add excess amount required for 28-29	(B) 1,46,952		
Statutory, closing balance		20,000	
Balance to be kept in the Government Treasury as per Agreement		5,000	
Total			₹14,14,112/-
Deficit			₹1,97,752/-

Details for ₹45,800/- marked (A) above

(A) Receipts

Heads	Budget	As now revised based on actuals	Excess Provision	Reasons for the Sanguine Estimate		
(a) Octroi	2,20,000	2,00,000	20,000	Actuals for six months	85,000	
				Estimated Receipts for the rest six months	1,15,000	2,00,000

@ against ₹1,96,000 in 27-28

The grounds for the excess is stated to be due to the application of the term "piece goods" and levy of Octroi Duty on numerous articles (vide para 1 of the

				the note of the budget estimate for 28-29) The use of the term "Piece Goods" implies goods manufactured in pieces of special length and does not extend to stitched or manufactured articles of clothing and dress
nd Revenue rs of	6,000	-	6,000	Rs6,000/- is already adjusted in 27-28
efund of amount on ccount of improvements of Hessargatta Tank	~~1,50,000~~	-	~~1,50,000~~	Rs~~1,50,000~~/- This is an amount claimed from Government who have so far known not accepted the liability
rant for anitary urposes	7,000	3,000	4,000	As no details for the increased figure of Rs7,000/- are furnished the last year's figure of Rs3,000/- is retained
Purniah's hattram eeding harges	800	-	800	Rs800/- is already adjusted in 27-28
Total	2,48,800	2,03,000	45,800	Total excess Rs45,800/-

B) Payments

efunds	20,000	21,000	1,000	The expenditure till the end of December 1928 is Rs13,000/- As in the last year the higher may be required for Octroi Refunds duri the remaining six months About Rs1,000/- more may be required
ension and atuity	7,500	15,000	7,500	The actuals under Pensions etc i 27-28 is Rs15,791/- For 28-29 Rs15,000/- may be required Hence Rs7,500/- more
ectric ghting arges	48,875	58,875	10,000	The expenditure under light ng to end of December 28 is Rs22,000/- More money may be required for meeting the excess due to the int duction of 500 ornamental l ghts at Rs45/- each and to the increas in the scale of charges for each head light as per terms of Agreement between Electric Department and Municipality
(2)d Allowance to Inoculating Officer		500	500	No provision is made for the pay of the Inoculating Officer

)Increase in pay to Lady Health Visitor	2,388	2,688	300	No provision to meet the increased pay of the Lady Visitor
)Public Instruction	98,695	1,18,695	20,000	Rs1,18,695/- is required for 28-29
ounts sanctioned be met from the osing Balance -				
)Silver Jubilee Park	-	12,800	12,800	
h)Mavalli Drain	-	8,000	8,000	
i)Dolphin Club	-	3,100	3,100	
j)Purchase of Fordson tractor with a road watering trailor	-	7,000	7,000	
k)Amount to be kept by for compensation for land pending decision of the Court		70,000	70,000	Taking average expenditure for the last 5 years on account of compensation the average works to Rs25,000 (the maximum being 38,000 and the minimum 18,500 consideration of the fact tha number of cases are now befor the Court against the Municipal Council, no further payment that may to be made may not exceed Rs70,000 as put down
l)Medical Relief 6,420 and Vaccination 2,460	8,880	+14,680	+5,800	The expenditure till end of December 1928 is Rs5,721/- on account of Medical Relief and relates to previous year Adequate provision to meet current year's expenditure is necessary
(m)Extra establishment charges	2,160	+2,560	+400	Excess required for the additional establishment sanction
(n)Home for incurable paupers	5,280	+5,832	552	
Total	1,93,778	3,40,700	1,46,952	

The amount found invested in the Mysore Ban State Loans was on 1st July 1928 about Rs4,51,000 of which Rs1,50,540/- is budgetted for in the est mate for 1928-29 under withdrawal leaving a bala of about Rs3,10,000/- including interest that may accrue There will thus be a deficit of Rs1,97,75

in

~~(in the Revenue Accounts)~~ in 28-29 and it will have t be met from the balance of investment referred to above unless there are surrenders by the Public Work Department ~~In future years also the normal revenue expenditure and deficit are likely to be~~

~~present state of commitments continue~~

It will be seen from the above that the expecta tions based in the Special Finance Committee's Repor were not realised, on account of variations in the actuals for 1927-28 and the revision of the budget estimates for 1928-29 both under "Receipts" and "Expenditure" as explainedin the note

It is desirable that the Municipal Council sho take into account all relevant factors and draw up a fo cast of their finances for the next three years

I think it is desirable that the budget estima of the Municipality are scrutinised and commented by the Local Audit Department of the office before adoption At present the budget statistics are not seen by the Audit Department and are not subjected its scrutiny

Bangalore
4 February 1929

A Dholenya Asstt Comptroller 4 2 29

33

Appendix F 6—1

SUBJECT

Section Mal

File No. 220-27

Serial No. 5 1

No. L6 1574

Diary No. of letter replied to. .. ..

General and Revenue Secretariat

( )

the 192

Date of issue. .. 6/1/29

To

The Ekkendaud, Mukal Bazaar

Signed by [illegible]

Sir,

I am directed to request you to be so kind as to furnish the Budget estimates of the municipal Council may be forwarded to Govt for sanction through the Collector for approval

Shroff

Chief Sec to Govt L6 1574

Copy to the Collector for information

List of enclosures... ... .

Copied by .. ..

Examined by ....

WD 0300—GPB—20,000—18-9-28

Ch 13/1/29

Dy Chief Sec